

Notice of Allowability

Application No.

09/809,025

Applicant(s)

LANGE, JEFFREY

Examiner

Harish T. Dass

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. **THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS.** This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. ☒ This communication is responsive to 2/15/2006.
2. ☒ The allowed claim(s) is/are 1-22.
3. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some* c) ☐ None of the:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

* Certified copies not received: _____.

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application.

THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.

4. ☐ A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.
5. ☐ CORRECTED DRAWINGS (as "replacement sheets") must be submitted.
- (a) ☐ including changes required by the Notice of Draftsperson's Patent Drawing Review (PTO-948) attached
- 1) ☐ hereto or 2) ☐ to Paper No./Mail Date _____.
- (b) ☐ including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date _____.
- Identifying indicia such as the application number (see 37 CFR 1.84(c)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).
6. ☐ DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

Attachment(s)

1. ☒ Notice of References Cited (PTO-892)
2. ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3. ☐ Information Disclosure Statements (PTO-1449 or PTO/SB/08), Paper No./Mail Date _____
4. ☐ Examiner's Comment Regarding Requirement for Deposit of Biological Material
5. ☐ Notice of Informal Patent Application (PTO-152)
6. ☐ Interview Summary (PTO-413), Paper No./Mail Date _____
7. ☐ Examiner's Amendment/Comment
8. ☒ Examiner's Statement of Reasons for Allowance
9. ☐ Other _____


HYUNG SOUGH
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600

DETAILED ACTION

Allowable Subject Matter

1. The following is an examiner's statement of reasons for allowance:

Prior art taken alone or in combination failed to teach or suggest the limitations of:

wherein at least one investment of value units designates a range of possible outcomes corresponding to a set of defined states, and

wherein substantially the same payout is allocated to each state of the set of defined states, as recited in independent claims 1, 11 and 21.

Prior art taken alone or in combination failed to teach or suggest the limitations of

wherein at least one investment of value units designates a range of possible states of the selected financial instrument corresponding to a set of the defined states, and

wherein substantially the same payout is allocated to each state of the set of defined states, as recited in independent claims 2, 12 and 22,

Prior art taken alone or in combination failed to teach or suggest the limitations of

accepting, prior to fulfillment of all of the termination criteria, a conditional investment order by a trader in at least one of the plurality of defined states, computing prior to fulfillment of all of the termination criteria a probability corresponding to each defined state, responsive to the total number of value units invested in the plurality of defined states, and the relative number of value units invested in each of the plurality of defined states, and

executing, prior to fulfillment of all of the termination criteria, the conditional investment order responsive to the computing step, as recited in independent claims 3 and 13.

Prior art taken alone or in combination failed to teach or suggest the limitations of

accepting, prior to fulfillment of all of the termination criteria, a conditional investment by a trader in at least one of the plurality of defined states,

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computing prior to fulfillment of all of the termination criteria a probability corresponding to each defined state, responsive to the total number of value units invested in the plurality of defined states, and the relative number of value units invested in each of the plurality of defined states, and

withdrawing, prior to fulfillment of all of the termination criteria, the conditional investment, responsive to the computing step, as recited in independent claims 4 and 15,

Prior art taken alone or in combination failed to teach or suggest the limitations of

computing prior to fulfillment of all of the termination criteria a probability corresponding to each defined state, responsive to the total number of value units invested in the plurality of defined states, and the relative number of value units invested in each of the plurality of defined states,

and executing, prior to fulfillment of all of the termination criteria, the conditional investment order responsive to the computing step, as recited in independent claims 5 and 14,

Prior art taken alone or in combination failed to teach or suggest the limitations of

computing prior to fulfillment of all of the termination criteria a probability corresponding to each defined state, responsive to the total number of value units invested in the plurality of defined states, and the relative number of value units invested in each of the plurality of defined states, and

executing, prior to fulfillment of all of the termination criteria, the conditional investment order responsive to the computing step, as recited in independent claims 6 and 16,

Prior art taken alone or in combination failed to teach or suggest the limitations of

accepting, prior to fulfillment of all of the termination criteria, an order by one of a plurality of traders that associates a specified number of value units with at least one selected state of the plurality of defined states, wherein states not selected constitute complementary states,

investing the specified number of value units in the complementary states, and allocating a payout to the order responsive to: the total number of value units invested in the plurality of defined states, the relative number of value units invested in each of the plurality of defined states, as recited in independent claims 7 and 17,

Prior art taken alone or in combination failed to teach or suggest the limitations of

accepting, prior to fulfillment of all of the termination criteria, an order by one of a plurality of traders that associates a specified number of value units with at least one selected state of the plurality of defined states, wherein states not selected constitute complementary states,

investing the specified number of value units in the complementary states, and
and allocating a payout to the order responsive to: the total number of value units invested the plurality of defined states, the relative number of value units invested in each of the plurality of defined states, as recited in independent claims 9 and 19,

US 6,321,212 to Lange (Inventor of current invention) discloses a methods and systems for trading financial products having demand-based adjustable returns, and systems and methods for determining those returns, states corresponding to the range of possible event outcomes are referred to as the "distribution" or "distribution of states." Each DBAR contingent claim group is typically associated with one distribution of states, and defined set of collectively exhaustive states representing possible real-world outcomes related to an observable event. In preferred embodiments, the events are events of economic significance. The possible outcomes can typically be units of measurement associated with the event, e.g., an event of economic interest can be the closing index level of the S&P 500 one month in the future, and the possible outcomes can be entire range of index levels that are possible in one month. In a preferred embodiment, the states are defined to correspond to one or more of the possible outcomes over the entire range of possible outcomes, so that defined states for an

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event form a countable and discrete number of ranges of possible outcomes, and are collectively exhaustive in the sense of spanning the entire range of possible outcomes.

WO 00/08567 to Chichiknisky discloses a methods, systems and instruments for insuring and hedging against risk, e.g. weather-related risk, including catastrophic risk and other large-scale risk which may be weather-related or otherwise, and For hedging against the risk, standardized derivative securities or financial contracts can be drawn contingent on the index, including futures and options, and such contracts can be traded on an exchange.

NPL – None

Each of the priors art taken alone or in combination failed to teach or suggest the above features recited in independent claims 1, 5, 7 and 11.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled “Comments on Statement of Reasons for Allowance.”


Any inquiry concerning this communication or earlier communications from the examiner should be directed to Harish T. Dass whose telephone number is 571-272-6793. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on 571-272-6799. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Harish T Dass
Examiner
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5/12/06


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